

# Exhibit C



August 29, 2013

VIA E-MAIL AND FIRST-CLASS MAIL

Mr. Michael Daugherty  
President and CEO  
LabMD, Inc.  
2030 Powers Ferry Road  
Building 500; Suite 520  
Atlanta, Georgia 30339  
MDort@aol.com

**RE: REPRESENTATION AGREEMENT FOR LABMD, INC.**

Dear Mr. Daugherty:

I write to outline the scope of charitable legal services that Cause of Action is prepared to provide to LabMD, Inc. ("LabMD"), regarding the Part 3 Administrative Complaint ("Complaint") that the Federal Trade Commission ("Commission") has issued *In the Matter of LabMD*, Docket No. 9357, all as part of our charitable activities and to achieve our tax-exempt purposes. This letter (the "Representation Agreement") defines the scope of legal services that we are prepared to provide LabMD and the terms and conditions upon which such legal services will be provided.

**Qualified Person:** You warrant that you are not a "disqualified person" to Cause of Action under applicable Internal Revenue Service (IRS) rules.

**Scope of Representation:** Cause of Action will perform the following limited legal services on your behalf: (1) represent LabMD in administrative proceedings before an Administrative Law Judge (ALJ) in connection with *In the Matter of LabMD*, Docket No. 9357; (2) if the ALJ issues an "initial decision" recommending entry of a cease-and-desist order against LabMD, represent LabMD in connection with an administrative appeal of the ALJ's initial decision to the Commission; upon the denial of any administrative appeal, represent LabMD before a U.S. Court of Appeals in connection with *In the Matter of LabMD*, Docket No. 9357; (4) if both parties agree in writing to seek judicial review of the Commission's Complaint issued in connection with *In the Matter of LabMD*, Docket No. 9357 before exhausting all administrative remedies available *In the Matter of LabMD*, Docket No. 9357 before the Commission, represent LabMD before a U.S. Court of Appeals or U.S. District Court in an action seeking to hold unlawful and set aside the Commission's Complaint on the ground that the Commission does not have statutory authority under Section 5(a) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 45(a), to regulate data-security practices as unfair acts or practices; and (5) if both

parties agree in writing to do so, submit a petition for a rulemaking regarding the scope of the Commission's authority to regulate data-security practices under Section 5 of the FTC Act on behalf of LabMD pursuant to 5 U.S.C. § 553(e), 15 U.S.C. § 57a(a)(1)(B), and 16 C.F.R. §§ 1.9, 1.21, 1.25.

If at such time Michael Daugherty is named in the Complaint as a Respondent in his individual capacity, we will amend the Representation Agreement to include Michael Daugherty in his individual capacity, subject to all requirements of the District of Columbia Rules of Professional Conduct.

This Representation Agreement does not extend to re-trials, new trials, appeals, any related or unrelated litigation to which you are or may be a party, or any other services, legal or otherwise.

The scope of our representation may subsequently be expanded only pursuant to the joint written consent of you and Cause of Action. This written consent must specifically outline the scope of the expanded services.

**Retention of Co-Counsel:** If you elect to retain other counsel on behalf of LabMD in connection with the scope of services described above, our participation is conditioned upon the execution of a co-counsel agreement, reasonably satisfactory to Cause of Action, to ensure that co-counsel appropriately coordinates their efforts with Cause of Action.

**Fees and Expenses:** As part of its charitable mission, Cause of Action does not charge clients for the time of its staff attorneys or support staff while working on this matter. Cause of Action will not charge you for routine out-of-pocket expenses such as copying, courier fees, postage, computerized research, and long-distance telephone calls. However, in the event you are awarded attorneys' fees and/or costs pursuant to our representation of you, you agree that you will promptly take all reasonable steps to ensure that Cause of Action receives such attorneys' fees and/or costs.

**Client Responsibilities:** Cause of Action expects full cooperation and timely responsiveness from you. This is an important component of the attorney-client relationship. Be advised that your failure to cooperate fully with and respond timely to our requests is grounds for termination of this Representation Agreement.

**Conflicts of Interest:** You acknowledge that Cause of Action represents other organizations, companies, and individuals. We are presently unaware of any current representation that is in conflict with your interests with respect to the scope of this Representation Agreement. However, during the course of our representation of you pursuant to this Representation Agreement, it is possible that an unrelated dispute or transaction involving you and a current or future Cause of Action client(s) may arise. Cause of Action is precluded by the District of Columbia Rules of Professional Conduct from representing a client in a matter in which the client's interests are adverse to the interests of another Cause of Action client, absent the written consent of both clients. In such event, Cause of Action will promptly notify you and, with your consent, request a written waiver of any such conflict(s).

**Entire Agreement:** This Representation Agreement constitutes the entire agreement between you and Cause of Action with respect to the scope of our representation and supersedes all prior written and oral communications. This Representation Agreement can only be altered if both parties consent in writing and cannot be modified orally.

**Termination and Document Retention Policy:** You may terminate this Representation Agreement at any time, with or without cause, by notifying us in writing. Cause of Action may also terminate this Representation Agreement in writing, subject to all applicable ethical rules and obligations.


At the completion or termination of the engagement that is the subject of this Representation Agreement, you may request the return of any client papers, files and other property in our possession. Such a request should be made in writing. During the course of our representation, we will preserve communications and documents in either hard copy or electronic form, depending upon the circumstances. If you do not request the return of such materials, we will maintain them for a period of five (5) years, after which time you agree that we may dispose of them. Prior to disposing such materials, we will advise you in writing, at the last known address we have for you in our files, of our intent to do so and give you an opportunity to request and obtain the materials if you so desire. Any disposal will be made in a confidential matter, subject to all applicable ethical rules and obligations. At our sole discretion and expense, we may make and keep copies of any materials being returned to you.

**Arbitration and Venue:** In the event you have concern(s) related to or arising out of our engagement, please feel free to discuss any such questions or concerns with us. Typically, such questions or concerns can be resolved to the satisfaction of both parties with little inconvenience or formality. In the event any dispute cannot be resolved informally, you agree to resolve any and all disputes with Cause of Action and/or with any of our lawyers or staff arising from or relating to our work for you and this Representation Agreement, exclusively through private and confidential binding arbitration before the American Arbitration Association in the District of Columbia, before a single neutral arbitrator who has been jointly selected by you and Cause of Action; neither side may unreasonably withhold consent of the arbitrator.

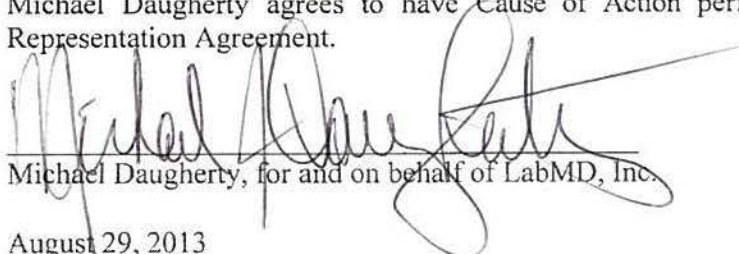
To confirm that you desire to proceed pursuant to the terms contained herein, please sign this Representation Agreement and return it to me. Upon receipt of the executed Representation Agreement we will begin our representation. Should you have any questions, please call me.

Thank you for considering us to provide services to you, and we look forward to working with you.

With warmest personal regards,

  
Daniel Z. Epstein, Executive Director

The undersigned, Michael Daugherty, hereby executes this Representation Agreement with full authority to do so on behalf of LabMD. Client also represents that Michael Daugherty has read the Representation Agreement and fully understands the terms and conditions contained herein. Michael Daugherty agrees to have Cause of Action perform the services outlined in this Representation Agreement.



Michael Daugherty, for and on behalf of LabMD, Inc.

August 29, 2013